



Health Services
LOS ANGELES COUNTY

May 15, 2007

Los Angeles County
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The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AGREEMENTS FOR OCULAR PROSTHESIS SERVICES
(All Districts) (3 Votes)**

IT IS RECOMMENDED THAT YOUR BOARD:

Delegate authority to the Director of Health Services, or his designee, to enter into agreements, substantially similar to Exhibit I, with board-certified Ocularists who will accept the County's rates for the provision of ocular prosthesis services for patients referred by Martin Luther King, Jr.-Harbor Hospital and LAC+USC, Olive View-UCLA, and Harbor-UCLA Medical Centers, effective as of the date of contract execution through April 30, 2012, with annual expenditures estimated at \$60,000, and \$300,000 for the five-year term of the agreements.

PURPOSE/JUSTIFICATION OF THE RECOMMENDED ACTION:

Board approval of the recommended action will ensure the continued provision of ocular prosthesis services to patients who have had partial eye contents removal or complete removal of the eye upon referral by Martin Luther King, Jr.-Harbor Hospital, LAC+USC, Olive View-UCLA, and Harbor-UCLA Medical Centers.

FISCAL IMPACT/FINANCING:

The estimated annual expenditures are \$60,000, of which \$8,000 is for Martin Luther King, Jr.-Harbor Hospital, \$10,000 is for LAC+USC Medical Center, \$21,000 is for Olive View-UCLA Medical Center, and \$21,000 is for Harbor-UCLA Medical Center. Contractors will be reimbursed on a fee-for-service basis for services to County-responsible patients using Medi-Cal reimbursement rates. Funding is included in the Department of Health Services' (DHS) Fiscal Year (FY) 2006-07 Final Budget, the FY 2007-08 Proposed Budget, and will be requested in future fiscal years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

On June 17, 2003, the Board approved an Agreement with Ocular Prosthetics, Inc., as one of 71 new Agreements for services which were previously provided under purchase order. Ocular prosthesis services under that contract were provided to patients referred by Harbor-UCLA and Olive View-UCLA Medical Centers effective July 1, 2003 through December 31, 2003. A subsequent amendment

extended the Agreement through December 31, 2006. Since January 1, 2007, hospitals have referred County-responsible patients to various board-certified ocularists using a purchase order.

To improve accessibility to ocular prosthesis services, all current board-certified ocularists in Los Angeles County will be queried to determine their interest and willingness to accept County-referred patients. Upon Board approval, the agreement will be offered to all existing ocularists in Los Angeles County who are certified by the National Examining Board of Ocularists and to any ocularists who obtain certification during the term of the Agreement.

The proposed agreements with interested contractors will provide ocular prosthesis services, including prosthetic eye and other related services rendered in accordance with regulations and standards of the Food and Drug Administration and the State of California and will require the contractors to comply with other relevant laws including the privacy and security rules established under the Health Insurance Portability and Accountability Act of 1996.

The proposed form agreement requires that contractors maintain current Board Certification with the National Examining Board of Ocularists, be Medicare and Medi-Cal authorized providers, and bill independently for patients with health insurance coverage. Services received by County-responsible patients who do not have third party insurance coverage including Medi-Cal or Medicare will be paid by the referring facility at the fee-for-services rates specified in the agreements or current Medi-Cal reimbursement rates.

The agreements will be effective as of the date of complete execution with each respective ocularist through April 30, 2012.

The County may terminate the agreements with or without cause with 10 days advance written notice.

The Department has determined this is not a Proposition A agreement because the services are provided on a part-time, intermittent basis; therefore, provisions of the County's Living Wage Program do not apply.

Exhibit I has been reviewed and approved as to form by County Counsel. Attachment A provides additional information.

CONTRACTING PROCESS:

Upon the Board's approval of the recommended form agreement, board-certified Ocularists, of which there are approximately six in Los Angeles County, will be queried as to their interest in providing ocular prosthesis services to patients referred by Martin Luther King Jr.-Harbor Hospital, Harbor-UCLA, Olive View-UCLA, and LAC+USC Medical Centers and asked to sign the agreement.

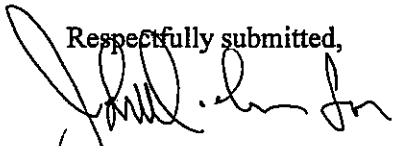
IMPACT ON CURRENT SERVICES (OR PROJECTS)

Board approval will allow for the provision of ocular prosthesis services for patients referred by Martin Luther King, Jr.-Harbor Hospital, Harbor-UCLA, Olive View-UCLA, and LAC+USC Medical Centers.

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When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,



Bruce A. Chernof, M.D.
Director and Chief Medical Officer

BAC:jc
Ocular Prothesis Svcs.jc.wpd

Attachments (2)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors

SUMMARY OF AGREEMENT

1. **TYPE OF SERVICES:**

The agreements provide ocular prosthesis services to patients referred by Martin Luther King, Jr.-Harbor Hospital and Olive View-UCLA, Harbor-UCLA, and LAC+USC Medical Centers in accordance with regulations and standards of the State of California and the Food and Drug Administration.

2. **TERM OF AGREEMENT:**

Date of contract execution through April 30, 2012.

3. **FINANCIAL INFORMATION:**

The estimated annual expenditures are \$60,000, of which \$8,000 is for Martin Luther King, Jr.-Harbor Hospital, \$10,000 is for LAC+USC Medical Center, \$21,000 is for Olive View-UCLA Medical Center, and \$21,000 is for Harbor-UCLA Medical Center. Contractors will be reimbursed at fee-for-service rates which are based on Medi-Cal reimbursement rates for care to County-responsible patients. Funding is included in the DHS Fiscal Year (FY) 2006-07 Final Budget, has been requested in the FY 2007-08 Proposed Budget Request, and will be requested in future fiscal years.

4. **PERSON ACCOUNTABLE FOR PROGRAM MONITORING:**

Administration at each facility.

5. **PRIMARY GEOGRAPHIC AREA TO BE SERVED:**

All Districts.

6. **APPROVALS:**

Olive View-UCLA Medical Center:	Gretchen McGinley, Acting CEO
Harbor-UCLA Medical Center:	Miguel Ortiz-Marroquin, Acting CEO
Martin Luther King, Jr.-Harbor Hospital:	Antionette Smith-Epps, CEO
LAC+USC Medical Center:	Pete Delgado, CEO
Chief, Contracts and Grants Division:	Cara O'Neill
Principal Deputy County Counsel:	Anita Lee